

How to pay for climate justice? Tax the rich, say the rich

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Byline: Jon McPhedran Waitzer, Claire Trottier and David Gray-Donald Contributors This text was collectively written six individuals from wealthy families, who came together through shared involvement in Resource Movement, an initiative that mobilizes young

Body

The science is clear: We have 11 years to solve the climate crisis. Yet, if you looked at the platforms put out by our four major parties, you'd be forgiven for believing we have decades to figure it out.

None of the party platforms will avert climate disaster, because dealing with the true scope of the problem requires more than carbon taxes, retrofits and eliminating subsidies for fossil fuel companies.

Underlying these insufficient policy proposals seems to be a belief that we don't have the money to be as bold as we need to be.

This is false.

Canada is home to the fifth most ultra-high-net-wealth individuals on the planet. In this country, 10,395 Canadians control \$1.053 trillion. This is money that is used to support 10,000 families to live lavish lifestyles - to have multiple properties, take extravagant vacations and fly first class (or in private jets).

We know this, because our families are in the top 10 per cent, 1 per cent and 0.1 per cent - and we all know that we're not paying our fair share.

We're in the middle of a climate crisis. We have the wealth we need to avert this disaster. However, our governments are encouraging this wealth to be privately hoarded among a small number of households, rather than leveraged to fund collective solutions.

Over the course of our lives, we've seen our politicians roll back the tax system to make it more regressive; lowering individual and corporate tax rates; and shifting an increasing percentage of the tax levy onto households with low and moderate wealth - those least able to bear it.

We've also seen families like ours engage in legal, but ethically dubious, strategies to avoid taxes. Some of our families work with private wealth managers to pursue "tax efficiency" strategies, such as income sprinkling, the establishment of family trusts, and other tools that minimize wealthy families' tax bills.

This stuff isn't morally neutral. And it also adds up.

We could raise \$16 billion each year just by restoring progressive taxes that were gutted in recent decades, according to Canadians for Tax Fairness. Similarly, the Broadbent Institute has found we could generate over \$30 billion annually by closing the most regressive tax loopholes.

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This election will decisively shape how we address the climate crisis. We've seen the NDP and the Greens tip-toe toward proposals that match the scale and scope of this problem. They've both called for a wealth tax on the 1 per cent, closing tax loopholes and limiting the use of offshore tax havens. These are positive steps, but don't go far enough.

Bolder climate proposals funded through progressive taxation should be part of every party platform, and would be politically popular. Polls show that the vast majority of Canadians across the political spectrum support taxes on wealth, including a "super wealth tax" and an inheritance tax for the very rich.

These are no longer fringe ideas, in Canada or elsewhere. Two leading contenders for the U.S. Democratic party leadership, Senators Elizabeth Warren and Bernie Sanders, are campaigning on bold Green New Deal climate plans budgeted in the trillions of dollars, with a focus on climate justice.

Everyone has a role to play in this time of crisis. For wealthy folks, we need to release our claims on private wealth and instead call for higher taxes to direct resources toward collective solutions at the scale required for collective survival.

We reject the idea that private wealth hoarding can keep us safe; on this issue, we are truly all in it together. We call on other wealthy folks to echo this message, and for everyone else to hold the wealthy in this country accountable.

This text was collectively written by six individuals from wealthy families, who came together through shared involvement in Resource Movement, an initiative that mobilizes young people with wealth and/or class privilege toward the equitable distribution of wealth, land and power. In addition to Jon McPhedran Waitzer, Claire Trottier and David Gray-Donald this piece also includes the work and ideas of Daniel Hoyer, Bronwyn Oatley and Sylvie Trottier.

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